

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By **CHAIRMAN ERNEST BERGSAGEL**, on February 18, 1999 at 8:00 A.M., in Room 317 Capitol.

ROLL CALL

Members Present:

Rep. Ernest Bergsagel, Chairman (R)
Sen. Tom A. Beck, Vice Chairman (R)
Sen. J.D. Lynch (D)
Rep. Tom Zook (R)

Members Excused: Sen. Chuck Swysgood (R)

Members Absent: Rep. Matt McCann (D)

Staff Present: Cassandra Drynan, Committee Secretary
Jane Hamman, OBPP
Pam Joehler, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: **HOUSE BILL 15 - INFORMATION
TECHNOLOGY BOND PROPOSAL**
Executive Action: None

Ms. Jane Hamman, OBPP, distributed **EXHIBIT(jlh40a01)**, a budget comparison for the Office of Budget and Program Planning.

QUESTIONS & DISCUSSION - HOUSE BILL 15

Ms. Pam Joehler, Legal Fiscal Division, gave a short presentation on her review of the Department of Revenue's \$25,000,000 request and addressed her concerns about legislative policy choices being unclear and about the department's accountability.

EXHIBIT(jlh40a02) EXHIBIT(jlh40a03)

{Tape : 1; Side : A; Approx. Time Counter : 1 - 13}

Ms. Mary Bryson, Department of Revenue, responded to the presentation and answered questions.

{Tape : 1; Side : A; Approx. Time Counter : 13.2 - 14.4}

SEN. LYNCH asked what would happen if the committee did not pass **HB 15** and what would happen if they only got half of what they were requesting.

{Tape : 1; Side : A; Approx. Time Counter : 14.5 - 17.5}

Ms. Jane Hamman commented that the department was requesting the full \$25,000,000 now because interest rates were low and the project would be less expensive.

REP. ZOOK asked how the committee could have any confidence in the departments projections when they were always changing drastically. **Ms. Bryson** responded that the department had been very conservative in its projections and that they were difficult to make, but that the projections would probably be lower than what they would actually bring in.

{Tape : 1; Side : A; Approx. Time Counter : 17.5 - 22.2}

CHAIRMAN BERGSAGEL gave his viewpoint.

{Tape : 1; Side : A; Approx. Time Counter : 22.2 - 23.7}

SEN. BECK asked where the revenue lift would come from. **Ms. Bryson** responded that it would come from an increase in collections.

{Tape : 1; Side : A; Approx. Time Counter : 24 - 26.8}

REP. ZOOK asked how the tax gap was determined.

{Tape : 1; Side : A; Approx. Time Counter : 26.9 - 27.6}

SEN. BECK commented that last session the legislature gave the department \$17,000,000 and asked why it hadn't been used as the legislature had intended. **Ms. Bryson** commented.

{Tape : 1; Side : A; Approx. Time Counter : 28.3 - 1:B:0.5}

REP. ZOOK asked if it would be cheaper to hire full time employees to collect unpaid taxes instead of getting this updated computer system. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 0.6 - 6.4}

EXHIBIT (j1h40a04) more information from the Department of Revenue

QUESTIONS & DISCUSSION - HOUSE BILL 15 - CLOSED

ADJOURNMENT

Adjournment: 9:00 A.M.

REP. ERNEST BERGSAGEL, Chairman

CASSANDRA DRYNAN, Secretary

EB/CD

EXHIBIT (jlh40aad)